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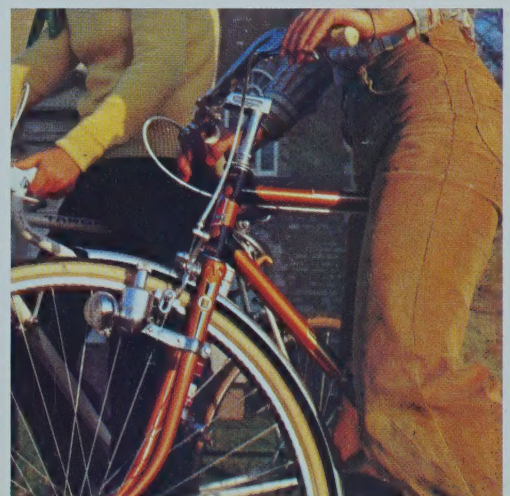
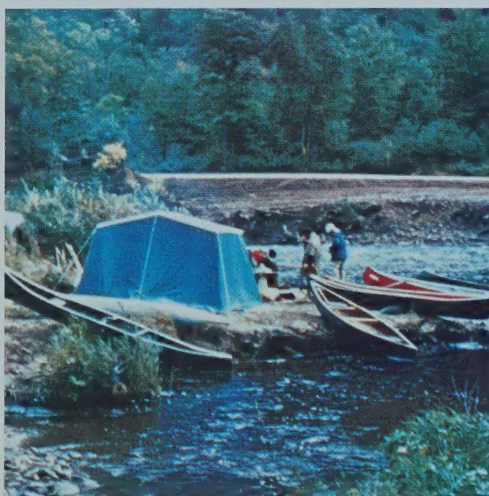
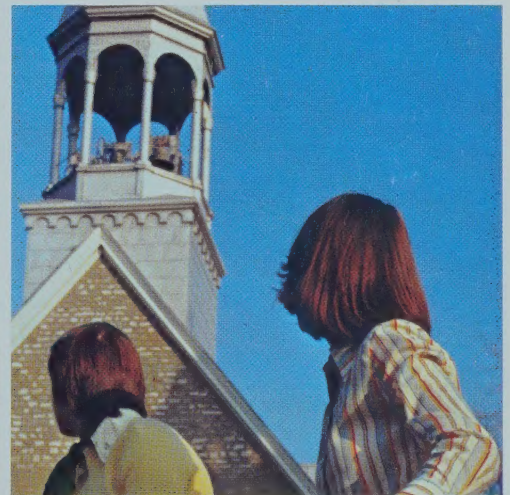




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Highlights

as at October 31

	1975	1974	Increase %
Total Assets	\$3,059,144,557	\$2,556,838,709	19.6
Deposits	\$2,893,080,561	\$2,434,531,900	18.8
Loans	\$2,028,148,172	\$1,588,664,797	27.7
Accumulated appropriations for losses	\$27,355,645	\$18,942,661	44.4
Shareholders' Equity	\$72,372,422	\$59,196,670	22.3
Balance of revenue after provision for income taxes	\$14,091,503	\$12,613,621	11.7
Per share*	\$2.38	\$2.16	10.2
Balance of profits for the year	\$8,191,503	\$7,613,621	7.6
Per share*	\$1.38	\$1.30	6.2
Dividends paid per share	\$1.00	\$0.92	8.7
Number of shareholders	7,686	7,379	4.2
Number of employees	4,441	4,117	7.9

*Based on the month end average of shares outstanding

1975 — 5,918,837

1974 — 5,845,865

Board of directors

Chairman of the Board and President of the Bank

*Léo Lavoie, Montreal

Vice-Presidents

*Cecil F. Carsley, M.B.E., Montreal,
Chairman of the Board,
Canvin Products Limited

*A.-Hervé Hébert, F.S.A., F.C.I.A.,
Lévis,
President,
Hébert, LeHoullier & Ass. Inc.

François Adam, F.I.A.C., Lévis,
President, La Société d'Assurances
des Caisses Populaires and General
Security Insurance Company of Canada

Marcel Bélanger, C.A., Quebec,
Partner, Bélanger, Dallaire,
Gagnon & Company

*Hervé Belzile, C.A., Montreal,
President, Alliance Mutual Life
Insurance Company

Benoît Benoit, Saint-Hyacinthe,
Chairman of the Board, La Compagnie
d'Assurance Générale de Commerce

Marc Bourgie, Montreal,
President, Urgel Bourgie Limitée

Rodolphe Casgrain, Montreal,
President,
Casgrain & Company Limited

Roland Chagnon, C.A., Montreal,
Chairman, Lallemand Inc.

*Charles-E. Demers, Eng., Quebec,
President, Komo Construction Inc.

Claude Ducharme, Q.C., Montreal,
Partner, Desjardins, Ducharme,
Desjardins, Bourque

Gilbert Finn, Moncton,
President,
Assumption Mutual Life
Insurance Company

Roland Giguère, Montreal,
President and Chief Executive Officer,
Télé-Métropole Inc.

J.-G. Hamelin, Montreal,
President, L'Union Régionale de Montréal
des Caisses Populaires Desjardins

Paul-H. Plamondon, Quebec,
Executive President, Paquet Inc.

J.-Olier Renaud, Q.C., Montreal,
Partner, Renaud & Renaud

*Geo.-E. Turcotte, Agr., Montreal,
General Manager,
Federation of Cooperatives of Quebec

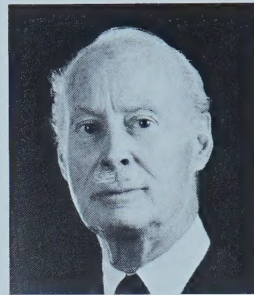
*Antoine Turmel, Sherbrooke,
Chairman of the Board
and Chief Executive Officer,
Provigo Inc.

*Executive Committee Member

The directors



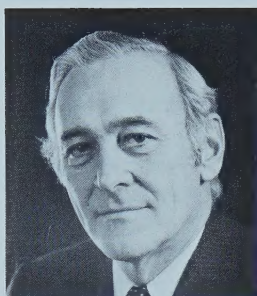
Léo Lavoie



Cecil-F. Carsley



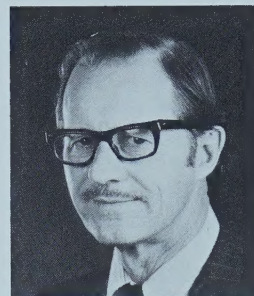
A.-Hervé Hébert



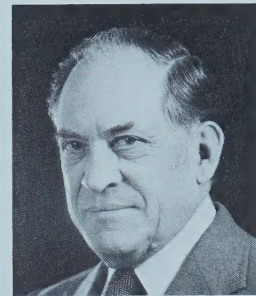
François Adam



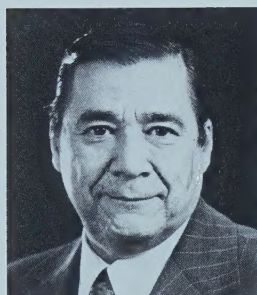
Marcel Bélanger



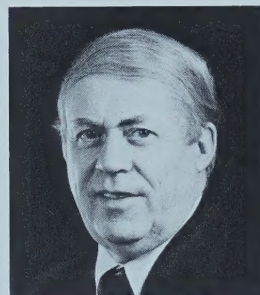
Hervé Belzile



Benoît Benoit



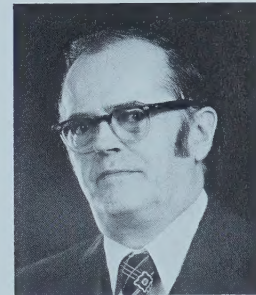
Marc Bourgie



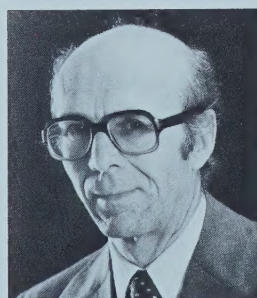
Rodolphe Casgrain



Roland Chagnon



Charles-E. Demers



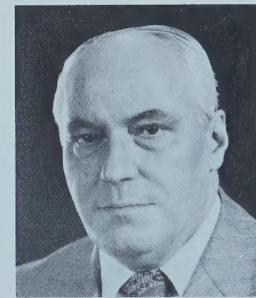
Claude Ducharme



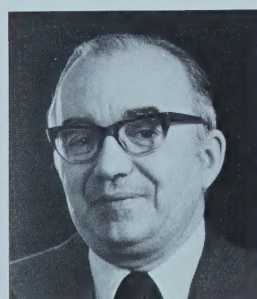
Gilbert Finn



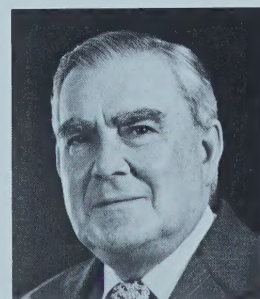
Roland Giguère



J.-G. Hamelin



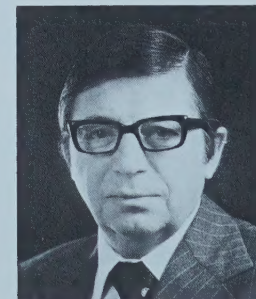
Paul-H. Plamondon



J.-Olier Renaud



Geo.-E. Turcotte



Antoine Turmel

Executive officers of the Bank

Chairman of the Board and President

Léo Lavoie

Vice President and General Manager

Jean Machabée

Vice Presidents

Georges Fortin, Control

Michel Lavoie, Operations

Gilles Mercure, International

Gilles Roch, Administration

Secretary General

René Cousineau

Assistant General Managers

Maurice Bigras

André Bérard

Grégoire Doyon

René Fortier

Gaston Gauthier

Lawrence Labonté

Gérard Lacerte

Richard Lapointe

Léon Pilon

Claude Primeau

Raymond Séguin

Regional Supervisors

Jean-Claude Asselin, Montréal

Berthier Bélanger, Maritimes

Rhéul Brunelle, Eastern Townships-St. Maurice

Gérard Dubé, Québec

Jean-Claude Falardeau, Ontario

Jacques Gagné, St. Lawrence Valley

Napaul Poisson, Hochelaga

Roland Robichaud, Laurentians-Ottawa

Roger Séguin, Laval

Superintendents

Lucien Tanguay, Investments

Réal Tardif, Administration

Robert Teasdale, Administration

Department Heads

Robert Allard, Investments

R. J. A. Béland, Special projects

Michel Bellerose, Credit

Gaston Bertrand, Public Relations

Philippe Boutin, Systems

Alcide Dalpé, Inspection

Richard Dorais, Legal

Guy Duval, Credit (Québec)

Fernand Gagnon, Costing and

Administrative methods

Hubert Harel, Master Charge

Réal Hébert, Accounting

Yvon Julien, Mortgage Loans

Pierre Lacasse, Marketing

Georges Lachance, Bank Premises

Jacques Lamontagne, Personnel

Henry Mhun, Economic Research

Bernard Pellerin, Internal Auditing

Bertrand Rousseau, Securities

Germain St-Jean, Security

Paul Villers, Budget Loans

Address of the President

Léo Lavoie

The operations of the Bank have developed this year under difficult economic conditions and the uncertainties that I stressed a year ago at our last annual meeting have only partly cleared up. It is true that Canada has been comparatively less affected by recession and inflation than other countries, but shrinking exports and sagging domestic demand have impaired the general level of activity and kept unemployment high. The worst, however, seems now to be behind us. The recovery has started in the United States, while Europe and Japan are getting close to the trough of the business cycle and in Canada indications of an upturn have become visible in recent months.

Capital Formation

Economic activity depends to a large extent on capital formation. The latter is certainly not a cure-all. Investment is not enough to ensure an expansion of business all by itself. It will, in addition, be necessary to make a sensible and efficient use of capital; besides, other sources of economic growth will have to be taken into account, in particular the work force, innovation, technology, management skills, in other words, the contributions of people.

All the same, investment is vital to achieve the economic growth potential which, in Canada, demands a considerable input of capital. Both geographic and population factors entail in effect large outlays for the infrastructure, especially for transportation and communication. Our territory is of continental dimensions, its population is small and widely scattered, and enormous distances have to be covered to link the urban centres. The rigors of the climate add to the burden of capital formation.

The economic structure further explains the importance of investments in Canada. The primary industries that develop and convert our abundant natural resources demand a great deal of capital. In today's mining industry, for instance, an average investment of more than 100,000 dollars is required to create one single job. The need to provide openings for a work force that grows faster than in most industrialized countries also implies a high level of capital formation. Finally, the move away from the countryside towards the cities has similar consequences, because urbanisation brings with it the need for highly expensive facilities for municipal services. All these circumstances explain Canada's thirst for capital.

Recent Investment Trends

In view of these requirements, what is the present situation? A distinctive feature is the recent weakening of capital formation in the public and private sectors. For the first time since the vigorous recovery of capital spending in 1973, total investments in real terms (i.e., in constant dollars) have registered a decline at the end of 1974 and at the beginning of 1975. Business investments in machinery and equipment have slowed down, and total construction expenditures in real terms are lower, largely due to the shrinking volume of residential construction.

There are numerous reasons for this decline. Weakening demand abroad and at home, diminishing profit margins in business, international monetary instability, uncertainties about the strength and the duration of the economic recovery and finally, the rising cost of credit have prompted business leaders to cut back on their capital spending plans, in spite of recent tax reductions. Inflation, in particular the substantial rise in construction costs, has also compelled businessmen to take a more cautious approach towards their expansion plans, with the result that some have had to be postponed. The fact that our industrial facilities operate below capacity has had the same effect: in manufacturing industries, the average rate of operations has fallen from 97 per cent of capacity at the beginning of 1974 to 85 per cent in the second quarter of this year. Under these circumstances, it is likely that the growth of capital spending in industry will continue to weaken next year, unless the public authorities take countervailing action.



This outlook gives rise to some concern because our investment needs in years to come will be enormous. The stagnation of industrial investments from 1967 to 1972 has caused a backlog that now has to be made up. Notwithstanding a capital-intensive economic structure, Canada's achievements in this respect have turned out to be below the accomplishments of Japan, Germany and France in recent years.

According to the most thorough estimates, we will need in the next ten years anywhere from 500 to 800 billion dollars (in terms of 1975 dollars) to develop our natural resources, finance the capital equipment for urban centers, create housing and energy. Among the projects that come to mind are James Bay in Quebec, and furthermore, the oil and natural gas developments in the West, in the Arctic and under the Atlantic shelf.

The Economic Council of Canada estimates that from now till 1980 the demand for investments will represent about 25 per cent of Gross National Product. This percentage is distinctly higher than the average of the last five years, or of the 1950's and 1960's. The task ahead is therefore considerable.

Capital Spending and Inflation

This undertaking becomes all the more urgent as gross capital formation, in the current inflationary environment, is of special importance: it is a weapon against inflation. In fact, investments create additional production capacity, making it possible to increase output and to avoid the scarcities that are partly responsible for the upsurge in prices. Capital spending restrains inflation also by improving productivity. In this respect, Canada's performance has been lackluster. Measured by output per person employed, productivity in the Canadian economy has on average not advanced more than a shade over two per cent per annum in the last fifteen years. This is an indifferent result, which puts the country near the bottom of the list of industrial countries.

Sluggish productivity has not only damaging consequences for the costs of production — and hence the general price level — but it also affects our ability to meet growing international competition, our capacity to create jobs and finally, our economic growth. I should like to stress in this respect that Quebec has a particular need for productive investments, because structural unemployment is an element of its economic condition.

Investments should therefore be encouraged. But in what way? Past policies have tended to favor consumption. Recently, governments have admittedly tried fiscal incentives to stimulate investments in industry and housing, but they

seem inadequate to set once again a vigorous capital formation in motion.

In my opinion, a forceful attack on inflation is of prime importance. Its detrimental effects are widely known. Inflation discourages saving and investment, disturbs financial markets, creates social injustice and disorder; moreover, and this cannot be said too often, inflation creates unemployment. The erosion of the value of money has to be stopped and balanced economic growth must be restored. Then the people who save and those who direct business enterprises will regain confidence and feel encouraged to save more and to invest more.

Obviously, there is no miracle cure for inflation. I admit, however, that the size of budget deficits is a matter of concern to me; I believe that the public authorities ought to set an example in moderating expenditures. The growing share of national resources used by governments, in comparison with the private sector, hampers investments by industry; the consequences are lower productivity and upward pressures on prices. The continuous expansion of the public sector represents nowadays an inflationary element solidly anchored in the economic structure.

Finally, it is necessary to roll back the tide of inflationary expectations — which is one reason of rapid price advances — to break the vicious circle of price and salary increases, to prevent that the population gets used to inflation and ends up by accepting it. The federal government has finally become increasingly aware of this state of affairs, to judge by the recently proclaimed anti-inflationary policies. The essential thing is to set the anti-inflationary process in motion, because a good start is a big step towards the final goal. Nevertheless, the control program is very complex and it remains to be seen to what extent it will be effective.

Domestic and Foreign Savings

A choice has to be made between the various expansion projects under consideration. Clearly, they cannot all be carried out simultaneously. By proceeding with too much haste, we would risk putting too much of a strain on human resources, capital availability, material supplies and finally, prices. The equilibrium to be aimed for will be a function on our ability to save, because the demand for capital goods, by definition, corresponds with the supply of savings.

What are the prospects in this regard? It is worth recalling that Canadians — and this may surprise some people — accumulate substantial savings. The ratio between domestic savings and Gross National Product, in Canada, is actually one of the highest. The respective share of the three internal sources of savings (business, individuals and governments) will depend on numer-

Address of the President

ous factors, particularly economic policies. As regards business savings, which represent the largest portion of total savings, the decline of liquidity and the diminished capability of corporate self-financing following the recession, does not augur well for a substantial increase in their volume over the short term. The share of personal savings has been increasing for ten years because of rising incomes and the growth of the working population. Income maintenance schemes and incentives to personal savings introduced in recent years have certainly encouraged such progress. But current inflation has weakened the incentive to save, in view of yields that are often negative. As regards government savings, they can hardly be expected to increase, considering that budgets in the public sector are constantly in deficit.

Under these circumstances, it is improbable that domestic savings will grow sufficiently to meet, unaided, the demand for capital needed to carry out the capital projects planned. The gap will have to be filled by recourse to foreign capital. We have had, except for some rare periods, to rely on net foreign capital inflows in the past, although on a gradually diminishing scale. This recourse to foreign capital will therefore continue, if we want to satisfy, without excessive strain, the demand for investments the economy could absorb.

In future, competition on the international financial markets will be more and more severe. Not only are savings much in demand in the industrial countries, but the Third World nations have capital needs that increase rapidly because of the financing required to cover their external deficits and their enormous capital spending for development projects.

In such a financial climate, characterized by very heavy demands for capital, interest rates have stayed at a high level and it is unlikely that they will descend to a much lower level in the near future. Besides, in Canada, as everywhere else, the hyperinflation we have known for two years has inevitably elevated the interest rate structure, and thereby increased the cost of credit at banks and other financial institutions.

It is clear that the financial institutions and markets have to respond to a great challenge. Available capital has to be managed with efficiency and the banks, in their role of intermediaries between savings and investments, will have to channel the deposits of the saving public to the most productive investments.

To do so, the banks will have to be able to exercise appropriately their functions on the capital markets and within the Canadian financial system. This ability does not entirely exist at the moment, because there have been many changes in the financial sector since the last revision of the Bank Act in 1967 and more changes are in sight. This poses a certain number of problems, which will be the subject of parliamentary discussions aimed at the forthcoming revision of the Bank Act in 1977.

Whatever reforms are to be adopted in 1977, it is evident that capital from abroad will have to be allowed in, if we wish that it continues to supplement the shortfall of domestic savings. Canada is a country open to the world, living to a large extent by international trade, and its prosperity depends on the free movement of people, capital and goods. It is therefore essential, on one hand, that Canadians can invest in other countries than their own, and that on the other hand, foreigners can go on making investments here.

Naturally, this does not mean on any terms. It is up to Canadians themselves to determine the conditions of entry and to fix clearly the rules of the game. They are the ones who, together with the public authorities, have to establish priorities and make a choice between the projects planned. Furthermore, it is normal to expect of foreign corporations established here that they conduct themselves as good Canadian citizens, and in Quebec, that they become part of the existing social and cultural environment.

Nothing is more harmful to the good conduct of business than uncertainty. It gives great satisfaction to observe in this regard that the ambiguity of the government of Quebec on the subject of foreign capital has recently been clarified by declarations of the Minister of Industry and Commerce.

Furthermore, the recent European trip of the Premier of Quebec has confirmed the position of the Quebec government. As I have already emphasized, the capital needs to finance the economic development of the Province are particularly high. They surpass by far our own resources and it is therefore fully justified, under these conditions, to appeal to capital from abroad and to keep the door open to foreign investments.

Minutes of the seventy-fifth annual general meeting of the Shareholders of The Provincial Bank of Canada, held at the Queen Elizabeth Hotel, 900 Dorchester Blvd. West, Montreal, on the 9th of December, 1975, at three thirty o'clock in the afternoon.

The Chairman and President of the Bank, Mr. Léo Lavoie, acted as Chairman of the meeting.

Mr. Lavoie welcomed the Shareholders and mentioned that an important group of branch managers and senior officers from the various regions serviced by the Bank was present at the meeting. The President then continued with the following observations:

"At each general annual meeting, it is appropriate to thank the shareholders for the interest they show in the affairs of the Bank not only by coming in great number at these meetings, but also by giving us their support throughout the year. On the occasion of this meeting, I particularly wish to thank the shareholders for the confidence they placed in us by subscribing in large number at the time of our latest issue of shares. This issue, which will be further commented on later in this meeting by the Vice-President and General Manager, was well accepted since nearly 97% of the 975,000 shares offered were subscribed for. This operation, combined with our second issue of debentures last April, enlarges our capital structure and will enable the Bank to expand more easily. The shares, which were subscribed for by shareholders at the price of \$10.50 per share, represent an investment with quite a good yield considering the dividend paid and the reduced taxation applying to this type of income. Furthermore, on the longer run, this investment provides excellent possibilities for an appreciation of capital."

The Chairman, with the consent of the meeting, appointed the Secretary General of the Bank, Mr. René Cousineau, as Secretary of the meeting, and Messrs. Pierre Bourque and Florian Bleau as Scrutineers.

The Secretary then read the notice calling the meeting and an affidavit concerning publication of said notice.

At the request of the Chairman, the Scrutineers confirmed that a quorum was present.

The minutes of the last annual general meeting having been sent to all Shareholders, it was moved by Mr. André Côté, C.A., and seconded by Mrs. Gervaise Gagnon, that the minutes of the last annual general meeting be taken as read and be approved. The motion was put to the meeting and a ballot was taken. Upon receiving the Scrutineers' Report of the balloting, the Chairman declared the motion duly carried.

Annual Statements

Before submitting the annual statements prescribed by Section 60 of the Bank Act for consideration to the meeting, the Chairman indicated that owing to the postal strike, the statement of assets and liabilities of the Bank and Pro-Can Realities Limited as at October 31, 1975, the statements of rest account, revenue, expenses and undivided profits and accumulated appropriation for losses for the latest financial year were provided to shareholders through branches in advance of the meeting and had also been published in many newspapers. "We will forego, with your approval, he added, the actual reading of these statements since the Vice-President and General Manager will later comment on these."

It was then moved by Mr. Nicki Lang, seconded by Mr. Edgar Jourdain, that the annual statements be taken as read.

The Chairman directed that a ballot on this motion be taken later in the meeting at the same time as the ballot for the approval of the annual statements.

At the request of the Chairman, the Secretary read the Directors' Report:

"Your Directors have pleasure in submitting to the Shareholders the Bank's annual statement for the year ended October 31, 1975, containing the statement of assets and liabilities of the Bank and Pro-Can Realities Limited as at October 31, 1975, the statement of revenue, expenses and undivided profits, the statement of accumulated appropriations for losses and of the rest account for the latest financial year.

Minutes

The Shareholders' auditors, Messrs. Guy Chabot, C.A., and Jean-Paul Roy, C.A., audited the Bank's record and those of Pro-Can Realities Limited, a company controlled by the Bank and their reports are appended to each statement.

During the year, five new branches were opened and one was closed. As at October 31, 1975, the Bank had two hundred and ninety branches and thirty-four agencies.

Your Directors express their appreciation to the officers and staff of the Bank for the continued loyalty and dedication they have shown in the discharge of their duties.

*For the Board of Directors,
Léo Lavoie,
Chairman and President.
Montreal, December 9, 1975."*



The Auditors' Report to the Shareholders was then read.

The President, Mr. Léo Lavoie, then addressed the meeting on "Capital Spending and Inflation" and subsequently, called upon Mr. Jean Machabée, Vice-President and General Manager, to present the financial statements. Mr. Lavoie's address appears on page 7 and Mr. Machabée's report appears on page 20.

It was moved by Mr. Léo Lavoie, seconded by Mr. C. F. Carsley, that the Directors' Report, the annual statements for the financial year ended October 31, 1975 as well as the Auditors' Report to Shareholders, be adopted. The Chairman stated that the motion was open for discussion. There being no discussion, the Chairman then put the motion to the meeting. A ballot was taken and upon receiving the Scrutineers' Report of the balloting, the Chairman declared this motion duly carried as well as the motion concerning the reading of the annual statements.

Appointment of Auditors Appointment of Proxies for Pro-Can

It was moved by Mr. Paul Racine, seconded by Mr. Nick Monti, that Messrs. Guy Chabot, C.A., of Raymond, Chabot, Martin, Paré et Associés, and Louis-Yvan Morin, C.A., of Morin, Dufresne, Cloutier, Bédard et Associés, be appointed the auditors of the Bank until the next Annual General Meeting, that their remuneration be not more than \$45,000 and that their fees be divided between them in proportion to the time they will have devoted to the Bank's business. Before putting this motion to the meeting, the Chairman suggested that the appointment of proxies to vote in the name of the Bank at meetings of shareholders of Pro-Can Realities Limited be also submitted to the consideration of the meeting and that a ballot on each motion be taken afterwards.

It was moved by Mr. Pierre Desrosiers, seconded by Mr. Jean Cliche, that in accordance with the Bank Act, Mr. Léo Lavoie, or failing him, Mr. A.-Hervé Hébert, or failing him, Mr. C. F. Carsley, be appointed to act as proxy for the Bank at any and all meetings of the Shareholders of Pro-Can Realities Limited, a corporation controlled by the Bank. These two motions were then put to the meeting and a ballot was taken on each one.

Upon receiving the Scrutineers' Report of the balloting on the appointment of Auditors and on the appointment of proxies to vote in the name of the Bank at meetings of shareholders of Pro-Can Realities Limited, the Chairman declared these two motions duly carried.

Election of Directors

The meeting then proceeded with the election of Directors. It was moved by Mr. Jean Guimond, seconded by Mr. Maurice Denommé, that the following Shareholders be elected Directors of the Bank: Messrs. François Adam, F.I.A.C., Marcel Bélanger, C.A., Hervé Belzile, C.A., Benoit Benoit, Marc Bourgie, C. F. Carsley, M.B.E., Rodolphe Casgrain, Roland Chagnon, C.A., Charles-E. Demers, Eng., Claude Ducharme, Q.C., Gilbert Finn, Roland Giguère, J.-G. Hameelin, A.-Hervé Hébert, F.S.A., F.C.I.A., Léo Lavoie, Paul-H. Plamondon, J.-Olier Renaud, Q.C., Geo.-E. Turcotte, Agr., and Antoine Turmel. The Chairman then asked if there were any further nominations. At this point in the meeting, a shareholder makes a few observations notably on the regional representation in the Board of Directors. The President assures him that his remarks will be taken into consideration.

There being no further nominations, a ballot was taken. The Chairman announced, upon receiving the Scrutineers' Report of the balloting, that the nineteen Shareholders nominated to be Directors of the Bank had been elected by a majority of the votes.

The President asked if there was any further business to come before the meeting and then answered the questions of the Shareholders.

Upon motion of Mr. Roland Bock, seconded by Mr. Jean-Yves Gélinas, the Chairman declared the meeting terminated.

Meeting of the Board of Directors

At a meeting of the Board of Directors held subsequently to the meeting of Shareholders, the following officers were elected for the ensuing year: Chairman of the Board and President:

Mr. Léo Lavoie.

Vice-Presidents: Messrs. C. F. Carsley and A.-Hervé Hébert.

Statement of Assets and Liabilities

as at October 31, 1975

Assets	1975	1974
Cash and due from banks	\$ 564,648,341	\$ 480,922,771
Cheques and other items in transit, net	67,441,621	68,565,473
	<u>632,089,962</u>	<u>549,488,244</u>
Securities issued or guaranteed by Canada, at amortized value	234,656,995	245,192,101
Securities issued or guaranteed by provinces, at amortized value	18,244,897	23,408,355
Other securities, not exceeding market value	89,652,990	107,336,966
	<u>342,554,882</u>	<u>375,937,422</u>
Day, call and short loans to investment dealers and brokers, secured	81,252,630	23,226,384
Other loans, including mortgages, less provision for losses	1,946,895,542	1,565,438,413
	<u>2,028,148,172</u>	<u>1,588,664,797</u>
Bank premises at cost, less amounts written off	15,752,263	14,857,475
Securities of and loans to a corporation controlled by the bank	3,182,278	3,185,713
Customers' liability under acceptances, guarantees and letters of credit, as per contra	35,115,981	20,388,183
Other assets	2,301,019	4,316,875
	<u>\$3,059,144,557</u>	<u>\$2,556,838,709</u>

Léo Lavoie,
*Chairman and
President.*

Jean Machabée,
*Vice-President and
General Manager.*

Liabilities	1975	1974
Deposits by Canada	\$ 42,509,345	\$ 43,922,915
Deposits by provinces	28,007,817	19,660,764
Deposits by banks	417,377,993	360,526,829
Personal savings deposits payable after notice, in Canada, in Canadian currency	1,125,833,885	984,926,700
Other deposits	1,279,351,521	1,025,494,692
	<u>2,893,080,561</u>	<u>2,434,531,900</u>
Acceptances, guarantees and letters of credit	35,115,981	20,388,183
Other liabilities	6,219,948	8,779,295
Accumulated appropriations for losses	27,355,645	18,942,661
Debentures issued and outstanding — note 1	25,000,000	15,000,000
Capital stock: Authorized — 10,000,000 shares of \$2. each <u>\$20,000,000</u>		
Capital paid up — note 2	13,382,714	11,700,000
Rest Account	58,864,035	47,000,000
Undivided profits	125,673	496,670
	<u>\$3,059,144,557</u>	<u>\$2,556,838,709</u>

Auditors' Report to the Shareholders

We have examined the statement of assets and liabilities of The Provincial Bank of Canada as at October 31, 1975 together with the statement of revenue, expenses and undivided profits and the statement of accumulated appropriations for losses for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the foregoing statements present fairly the financial position of the Bank as at October 31, 1975 and its revenue, expenses and undivided profits and accumulated appropriations for losses for the year ended on that date.

Auditors

Guy Chabot, C.A.,
of Raymond, Chabot, Martin, Paré & Associés

Jean-Paul Roy, C.A.,
of Roy, Lachance, Marotte & Associés

Montreal, November 19, 1975.

Statement of Revenue, Expenses and Undivided Profits

for the financial year ended October 31, 1975

	1975	1974
REVENUE		
Income from loans	\$227,540,838	\$191,274,451
Income from securities	27,468,702	25,296,599
Other operating revenue	17,878,202	14,010,721
Total revenue	272,887,742	230,581,771
EXPENSES		
Interest on deposits and debentures	175,225,638	147,156,102
Salaries, pension contributions and other staff benefits	42,724,990	34,665,978
Property expenses, including depreciation	11,555,557	10,063,489
Other operating expenses, including provision for losses on loans based on five-year average loss experience	15,510,054	12,842,581
Total expenses	245,016,239	204,728,150
Balance of revenue	27,871,503	25,853,621
Provision for income taxes relating thereto — note 3	13,780,000	13,240,000
Balance of revenue after provision for income taxes	14,091,503	12,613,621
Appropriation for losses	5,900,000	5,000,000
Balance of profits for the year	8,191,503	7,613,621
Dividends	5,850,000	5,381,298
Amount carried forward	2,341,503	2,232,323
Undivided profits at beginning of year	496,670	264,347
Transfer from accumulated appropriations for losses	2,000,000	—
Total	4,838,173	2,496,670
Transferred to Rest Account	4,712,500	2,000,000
Undivided profits at end of year	\$ 125,673	\$ 496,670

Statement of Accumulated Appropriations for Losses

for the financial year ended October 31, 1975

	1975	1974
Accumulated appropriations at beginning of year (Bracketed amounts are deductions)		
General appropriations	\$17,232,088	\$17,086,883
Tax-paid appropriations	1,710,573	3,131,697
Total	18,942,661	20,218,580
Appropriation from current year's operations	5,900,000	5,000,000
Loss experience on loans less provision included in other operating expenses	(389,731)	247,742
Profits and losses on securities, including provisions to reduce securities other than those of Canada and provinces to values not exceeding market	1,193,059	(8,554,742)
Other profits, losses and non-recurring items, net	(190,344)	1,081
Provision for income taxes including credit of \$3,875,000 (1974 — \$2,055,000) related to appropriation from current year's operations — note 3	3,900,000	2,030,000
Transferred to undivided profits	(2,000,000)	—
Accumulated appropriations at end of year		
General appropriations	24,886,428	17,232,088
Tax-paid appropriations	2,469,217	1,710,573
Total	\$27,355,645	\$18,942,661

Statement of Rest Account

for the financial year ended October 31, 1975

	1975	1974
Balance at beginning of year	\$47,000,000	\$44,912,577
Premium received on capital stock subscriptions — note 2	7,151,535	87,423
Transfer from undivided profits	4,712,500	2,000,000
Balance at end of year	\$58,864,035	\$47,000,000

Notes to the Financial Statements

October 31, 1975

1. The debentures, subordinate in right of payment to the claims of depositors and certain other creditors and subject to sinking fund provisions, consist of:

	1975	1974
7½%, maturing in 1977 with holder's option to extend the maturity date to 1991	\$15,000,000	\$15,000,000
8½%, maturing in 1981 with holder's option to extend the maturity date to 1990 at the rate of 8¼%	10,000,000	—
	<u>\$25,000,000</u>	<u>\$15,000,000</u>

2. On September 26, 1975, shareholders were offered rights to subscribe for 975,000 additional shares on a 1 for 6 basis. The period of subscription ended on October 31, 1975 and the breakdown of the amounts received is as follows:

Amounts paid at October 31, 1975

	Number of shares	Capital paid up	Rest account
Fully paid	826,049	\$1,652,098	\$7,021,417
Partly paid	148,951	30,616	130,118
	<u>975,000</u>	<u>\$1,682,714</u>	<u>\$7,151,535</u>

When shares subscribed for by instalment will be fully paid, on August 9, 1976, the balance of the accounts will be as follows:

Capital stock —

6,825,000 shares issued and fully paid	\$13,650,000
Rest Account	60,000,000
Total	<u>\$73,650,000</u>

3. Provision for taxes shown in:

	1975	1974
Statement of revenue, expenses and undivided profits	\$13,780,000	\$13,240,000
Statement of accumulated appropriations for losses:		
Related to tax deductible appropriations	(3,875,000)	(2,055,000)
Related to taxable capital gains (losses)	(25,000)	25,000
	<u>(3,900,000)</u>	<u>(2,030,000)</u>
Total tax provision for the year	<u>\$ 9,880,000</u>	<u>\$11,210,000</u>

Pro-Can Realties Limited
Controlled Corporation
Balance Sheet

as at October 31, 1975

Assets

Rent receivable	\$ 165,000
Land and buildings at cost, less depreciation	4,577,082
	<u>\$4,742,082</u>

Liabilities

The Provincial Bank of Canada	\$ 538,878	
Accrued bond interest	82,500	
Current portion of long-term debt redeemable November 1st, 1975	100,000	
Provision for income taxes	350	721,728
First mortgage sinking fund bonds — Series "B" — 5½% maturing November 1st, 1986	3,000,000	
Less:		
Sinking fund payment due November 1st, 1975	100,000	2,900,000
CAPITAL STOCK		
PREFERRED — Redeemable, non participating, non cumulative dividends — 4½%		
Authorized and issued:		
10,000 shares of \$100 each	1,000,000	
COMMON		
Authorized and issued:		
1,000 shares of \$100 each (note)	100,000	
	<u>1,100,000</u>	
RETAINED EARNINGS	20,354	1,120,354
		<u>\$4,742,082</u>

Note

The Provincial Bank of Canada owns the entire capital stock of Pro-Can Realties Limited with the exception of the directors' qualifying shares. It is carried on the books of the Bank at \$1,099,400.

Auditors' report to the shareholders

We have examined the balance sheet of Pro-Can Realties Limited as at October 31, 1975. We have obtained all the information and explanations that we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, this balance sheet presents fairly the financial position of the company as at October 31, 1975 in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Auditors

Guy Chabot, C.A.,
of Raymond, Chabot, Martin, Paré & Associés
Jean-Paul Roy, C.A.,
of Roy, Lachance, Marotte & Associés

Montreal, November 19, 1975

Report of the Vice President and General Manager

Jean Machabée

General Situation

I am very pleased to submit for your approval the results of the financial year which ended October 31, 1975. In spite of difficult economic conditions, the Bank has succeeded in maintaining its prosperity as evidenced in the balance sheet which shows total assets of \$3,059,144,557 as at October 31, 1975 that is a 19.6% increase over the preceding financial year. As far as profitability is concerned, the balance of revenue, after provision for taxes, stands at \$14,091,503, an increase of 11.7% that can be explained by the restraints to which various sectors of our activity were submitted.

During the past year, strong pressures were exercised on the chartered banks' liquidity. Indeed, given the weak growth of real economic activity, the Bank of Canada was aiming, during this whole period, at enabling banks to meet credit needs while restraining the growth of money supply. It therefore gradually lowered the rate of secondary reserve on Canadian deposits from 8 to 5½%. To satisfy customers' demand, we nevertheless had to reduce the amount of securities held in our portfolio.

Compared with last year, stock market quotations somewhat improved whereas the bond market levelled. This situation and the efforts made to improve our investment portfolio brought about a reduction of the specific reserves required so as to have securities other than those issued by Canada or a province appear on financial statements at values not exceeding market. At year-end, the investment portfolio stood at \$342,554,882 which represents 14.6% of Canadian dollar assets.



Loans

As at October 31, 1975 commercial, industrial and agricultural loans, which account for almost half of our portfolio, had increased by \$82,713,028. The bank met customers' demands in this field by giving particular attention to the needs of small and medium-size enterprises, more especially because they often cannot resort to financial markets. Aware that the Bank must co-operate to the development of regions it services through an appropriate channelling of its means of intervention, we were also very active in other credit sectors.

Credit demand from municipal and school corporations remained strong, and our loans to this sector amount to \$193,950,490 at year-end. It should be stressed that most of these loans are allocated to finance the current operations of these public bodies which are also burdened with inflation; however, a portion of the amount represents interim financing until debenture loans are made.

Consumer credit still remains a very progressive sector of our operations. After a first half-year during which demand was rather weak, it clearly strengthened and, at year-end, an appreciable increase in personal loans can be noticed over the preceding year.

Residential construction in Canada experienced a marked slowdown during the first six months of the year. This situation brought the Federal Government to introduce legislations aimed at developing the construction sector. We have therefore accepted, as requested by the Minister of State for Urban Affairs, to co-operate, as much as we could, to the financial assistance program intended for buyers of single-family dwellings as well as for contractors of residential multi-dwellings. We are satisfied of having thus contributed to enabling a large number of consumers to improve their quality of life and, in many cases, to become property owners. The total of outstanding mortgage loans therefore rose from \$242,059,244 to \$330,131,883, a 36.4% increase during the financial year.

Deposits

The money supply growth policy followed by the Bank of Canada has, by any standards, had an impact on our Canadian dollar deposits but the increase is, to a large extent, the result of our own development policies. These are mainly aimed at obtaining personal savings deposits which, in view of their steady nature, are a source of growth potentialities. Two very special categories, the retirement and the home ownership deposit plans,

Report of the Vice President and General Manager

were therefore added to our range of already existing savings deposits. The participants in these new savings plans benefit not only from particularly attractive interest rates but also from the income tax exemptions allowed by the federal and provincial laws. This type of deposits therefore offers very interesting savings means to those who plan for the future. Personal savings deposits of all categories reached \$1,125,833,885 and represented 53.6% of total Canadian dollar deposits.

Other Canadian deposits, largely made up of government deposits, corporate deposit certificates as well as demand deposits, increased by 19.5% and totalled \$972,963,585. Foreign currency deposits increased by \$159,165,451 compared with last year and now amount to \$794,283,091.

Capital Structure

The large increase in our Canadian dollar and foreign currency deposits has, as you already know, brought your Board of Directors to modify the Bank's capital structure. This was done in two steps. First, during the month of April, the Bank put on the market a second issue of debentures of \$10,000,000 which increased the outstanding amount to \$25,000,000. However, the most important operation, that is the offer to shareholders of rights to subscribe for 975,000 new shares, at the price of \$10.50 per share, was launched in October. This issue was well accepted since almost 97% of shares offered were subscribed for. When subscriptions will be fully paid, the total proceeds of the issue will be of \$10,237,500. This additional contribution to the Bank's capital stock will help in improving the ratio of the shareholders' equity to the total deposits. As at October 31, 1975 this ratio is of 33, taking into account accumulated appropriations for losses less relevant income taxes. These new sources of funds will place the Bank in a better position to find new deposits and maintain its growth, both domestically and on the international scene.

International Operations

Financial markets in euro-currencies are ever-expanding. In Canada, lenders and borrowers are resorting to it more and more often, alternatively with domestic money markets. In order to meet our customers' needs, we must therefore remain active in these markets. Moreover, the profitability of our international operations has improved noticeably during the last year and has largely contributed to our overall results.

There is still probably much more to accomplish in this field in which we have been more deeply involved for only a few years. However, we are constantly strengthening our means of action, more especially as far as our assistance to medium-size enterprises in the foreign markets is concerned. I am convinced that our efforts will continue to have a positive impact on the financial results of coming years.

Financial Results

Interest income from loans and investments totals \$255,009,540, an increase of 17.7% over the preceding year. These earnings, resulting mainly from volume increases, must be compared with the total cost of deposits and debentures which amounts to \$175,225,638, a 19.1% increase over 1974. The gross profit margin therefore stands at \$79,783,902, representing an increase of 14.9% over the preceding year. These results were obviously quite affected by a downward movement of the gross profit margin during the first half-year. We therefore had to largely improve our profits during the last six months so as to end the year with better results than in 1974. On the other hand, once other revenue and expenses have been taken into consideration, the balance of revenue shows a 7.8% increase over last year. In addition to factors of interest profit margin which affected the results, important expenses related to the op-



Report of the Vice President and General Manager

eration of the Master Charge Card must be mentioned. Accordingly, we will continue to follow our policy of including all implementing expenditures with those of the financial year in which they are incurred, instead of spreading them over the coming years. This financial burden will lessen each year as a result of the increasing importance of this operation.

The balance of revenue, after provision for taxes, stands at \$14,091,503. This represents a profit of \$2.38 per share, on an average during the year of 5,918,837 fully paid shares, compared with \$2.16 on an average of 5,845,865 shares for the preceding year.

Network of Branches

This year, five new branches were opened in Terrebonne, Repentigny, Roberval, Montreal and Grande-Anse, N.B. respectively. On the other hand, for administrative reasons, a Montreal branch and our New York representation office were closed. At October 31, 1975 our network therefore comprised 289 branches, 238 of which are located in Quebec, 28 in Ontario, 21 in New Brunswick and 2 in Prince Edward Island. Taking into account our 35 agencies, our network now consists of 324 offices. Other branch opening projects scheduled for this year were postponed to next year, due to delays in the construction field.

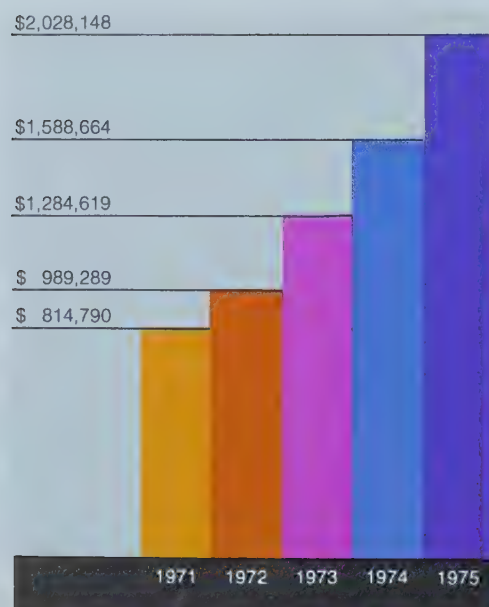
We also continued to improve our existing premises and we renovated several branches. Our main Toronto office was relocated in new premises in the York Centre. This move became necessary as a result of the increasing importance of our transactions in the Toronto financial district. The renovation of the branch located at 2, rue de la Fabrique, in Quebec City must also be mentioned; it was particularly important since the building itself is classified as a historic monument. We therefore had to respect certain standards aimed at keeping to the building, which was constructed in 1838, its original character and even restore it. I am proud to make mention of this realization which contributes to the cultural inheritance of Quebec City.

Data processing

Through a more extensive use of remote processing systems to connect branches with a centralized computer, the Bank continues to improve its administrative techniques. Almost half of the branches are already connected and we are getting prepared to increase the volume of work that can be handled on-line. The great power of the computer enables us to offer our customers certain computerized services while still meeting our own needs in this field. Furthermore, the computer can be used in time-sharing by certain departments of the Bank whose terminals also give them access to external data bases. We also use independent minicomputers when it is more practical and more economical to do so.

Loans

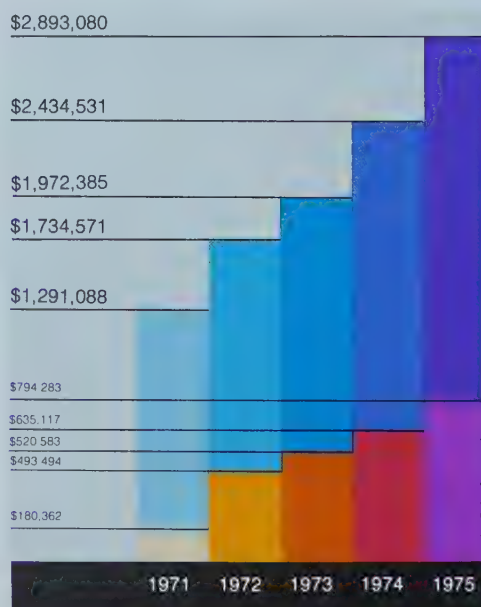
(in thousands of dollars)



Deposits

(in thousands of dollars)

Foreign Currency



Report of the Vice President and General Manager

We are therefore quite involved in the development and use of electronics and the amounts invested in this field provide us with modern management tools which make the Bank one of the pacesetter in data processing.

Master Charge

Master Charge is now a rapidly progressing enterprise which certainly has great potential. Despite the success obtained, the costs relevant to the operation of Master Charge are very high and, as expected, it will take a few years before it can reach the profitability level. However, the financial load is gradually lessening and, taking into account the benefits derived from it, Master Charge remains a very important development tool which prepares us to enter into the era of electronic funds transfers.

The Bank for Better Living

In order to add a social aspect to our marketing action, we have in the last few years promoted the "Better Living" theme and, as part of this program, you were informed last year on the installation of documentation centres offering brochures dealing with topics related to the search for a better quality of life. In view of the success obtained — more than 350,000 brochures were distributed within eight months — this year, we have made our presentation more attractive as you can see it in our television advertising.

Our social preoccupation was extended a few years ago to the constitution of a Canadian print collection made up of lithographies, etchings and serigraphies. This collection now includes almost 250 prints made by Canadian artists. The purpose of our action is threefold: make the printing art known to the public through the organization of travelling exhibits; encourage artists and enable new talents to be developed; and, finally, decorate the interior of our numerous premises.

Through the Fédération des Centres Culturels du Québec, we displayed during the past year about sixty prints in twelve different cities of the Province. This initiative, commented by local media, was most appreciated both by the public in general and artistic circles. You have certainly also noticed that many of these works of art are decorating our branches.

Personnel

At the end of this financial year, I am very pleased to pay tribute to the staff members of the Bank for their co-operation and the dynamic spirit they showed during the year. With the growth of the Bank, new services are offered and more advanced technical means are used, thus requiring that our personnel constantly acquire new knowledge. In this context, our personnel policies are aimed at conciliating the priorities of the banking disciplines with those of employees' individual aspirations. To attain such purposes, career plans are established and training programs are constantly revised. These are completed by the more comprehensive programs provided by the Institute of Canadian Bankers, to which an increasing number of employees are registering. Indeed, during the 1974-75 academic year, 570 of them followed courses of the Institute, compared with 456 the year before.

As a result of the growth and diversification of our operations, the number of employees rose from 4,117 to 4,441 during the year. The Bank therefore offers a wider range of interesting careers.

Ladies and Gentlemen, I believe I have given you an accurate picture of the Bank's business situation and I venture to hope that it merits the confidence you have given us. There is still a lot more to be accomplished but with the shareholders' support and the powerful means at our disposal, we are sure that success will be achieved.

	1975	1974	1973	1972
condensed statement of assets and liabilities				
assets				
Cash resources and due from banks	\$ 632,089,962	\$ 549,488,244	\$ 424,946,286	\$ 450,709,711
Securities	342,554,882	375,937,422	346,815,043	358,087,041
Call loans	81,252,630	23,226,384	47,481,004	55,790,408
Other loans	1,946,895,542	1,565,438,413	1,237,138,435	933,499,249
Bank premises, net	15,752,263	14,857,475	13,270,770	12,573,879
Other assets	40,599,278	27,890,771	19,935,414	17,930,318
Total assets	\$3,059,144,557	\$2,556,838,709	\$2,089,586,952	\$1,828,590,606
liabilities				
Deposits	\$2,893,080,561	\$2,434,531,900	\$1,972,385,145	\$1,734,571,620
Letters of credit and other liabilities	41,335,929	29,167,478	25,122,955	16,930,011
Accumulated appropriations for losses	27,355,645	18,942,661	20,218,580	16,068,356
Debentures	25,000,000	15,000,000	15,000,000	15,000,000
Shareholders' equity	72,372,422	59,196,670	56,860,272	46,020,619
Total liabilities	\$3,059,144,557	\$2,556,838,709	\$2,089,586,952	\$1,828,590,606
accumulated appropriations for losses				
Accumulated appropriations at beginning of year	\$ 18,942,661	\$ 20,218,580	\$ 16,068,356	\$ 14,392,751
Additions (deductions) during year				
Appropriation from current year's operations	5,900,000	5,000,000	3,800,000	3,000,000
Loss experience on loans less provision included in other operating expenses	(389,731)	247,742	379,222	207,251
Profits and losses on securities, etc.	1,193,059	(8,554,742)	(820,778)	900,993
Other profits and losses, net	(190,344)	1,081	(178,220)	67,361
Provision for income taxes, less credit related to appropriation from operations if applicable	3,900,000	2,030,000	1,970,000	1,000,000
Transferred to undivided profits	(2,000,000)	—	(1,000,000)	(3,500,000)
	8,412,984	(1,275,919)	4,150,224	1,675,605
Accumulated appropriations at end of year				
General appropriations	24,886,428	17,232,088	17,086,883	13,646,982
Tax-paid appropriations	2,469,217	1,710,573	3,131,697	2,421,374
Total	\$ 27,355,645	\$ 18,942,661	\$ 20,218,580	\$ 16,068,356

* Year of the amalgamation of The Provincial Bank of Canada and of The People's Bank

Note — For comparative reasons, some of the figures for previous years have been restated to conform to the current presentation

1971	1970*	1969	1968	1967	1966
\$ 249,294,143	\$ 108,191,400	\$109,021,009	\$ 76,582,420	\$ 83,452,497	\$ 69,428,449
282,685,570	259,053,578	174,374,651	179,088,984	155,518,321	124,476,941
51,621,343	45,859,586	22,581,980	39,824,517	20,172,150	25,381,287
763,168,769	602,833,658	524,211,530	446,150,220	367,988,025	341,009,222
11,890,566	10,672,866	7,742,473	7,427,652	6,841,613	6,990,906
57,392,113	61,329,316	43,171,881	9,662,486	8,482,683	8,197,034
\$1,416,052,504	\$1,087,940,404	\$881,103,524	\$758,736,279	\$642,455,289	\$575,483,839
\$1,291,088,481	\$ 979,577,234	\$795,447,221	\$712,437,332	\$600,832,344	\$536,117,814
54,684,164	60,673,585	43,053,697	6,342,292	4,872,415	4,499,079
14,392,751	12,162,527	12,268,147	10,625,229	8,225,864	7,062,781
15,000,000	—	—	—	—	—
40,887,108	35,527,058	30,334,459	29,331,426	28,524,666	27,804,165
\$1,416,052,504	\$1,087,940,404	\$881,103,524	\$758,736,279	\$642,455,289	\$575,483,839
\$ 12,162,527	\$ 12,887,133	\$ 10,625,229	\$ 8,225,864	\$ 7,062,781	\$ 7,356,956
3,330,000	2,280,000	2,060,000	1,180,000	741,000	97,000
44,894	(221,210)	(281,920)	(338,618)	(32,683)	(204,896)
1,701,491	(1,322,156)	(331,341)	162,576	(299,886)	(280,690)
(6,161)	(541,240)	(1,523,821)	(24,593)	(24,317)	(1,999)
1,160,000	(920,000)	1,720,000	1,420,000	778,969	96,410
(4,000,000)	—	—	—	—	—
2,230,224	(724,606)	1,642,918	2,399,365	1,163,083	(294,175)
11,472,924	7,776,333	11,035,930	10,212,817	8,146,989	6,844,494
2,919,827	4,386,194	1,232,217	412,412	78,875	218,287
\$ 14,392,751	\$ 12,162,527	\$ 12,268,147	\$ 10,625,229	\$ 8,225,864	\$ 7,062,781

1975 1974 1973 1972

statement of revenue, expenses and undivided profits

revenue

Income from loans	\$227,540,838	\$191,274,451	\$125,255,608	\$ 85,524,088
Income from securities	27,468,702	25,296,599	22,373,000	18,209,104
Other operating revenue	17,878,202	14,010,721	11,405,477	10,526,604
Total revenue	\$272,887,742	\$230,581,771	\$159,034,085	\$114,259,796

expenses

Interest	\$175,225,638	\$147,156,102	\$ 92,413,389	\$ 59,551,414
Salaries, etc.	42,724,990	34,665,978	27,710,739	23,242,394
Property expenses	11,555,557	10,063,489	8,589,778	6,998,143
Other operating expenses	15,510,054	12,842,581	9,989,192	7,992,334
Total expenses	\$245,016,239	\$204,728,150	\$138,703,098	\$ 97,784,285
Balance of revenue	27,871,503	25,853,621	20,330,987	16,475,511
Provision for income taxes	11.7 13,780,000	13,240,000	10,130,000	7,890,000
Balance of revenue after provision for income taxes	14,091,503	12,613,621	10,200,987	8,585,511
Appropriation for losses	5,900,000	5,000,000	3,800,000	3,000,000
Balance of profits	8,191,503	7,613,621	6,400,987	5,585,511
Dividends	5,850,000	5,381,298	4,582,259	3,952,000
Amount carried forward	2,341,503	2,232,323	1,818,728	1,633,511
Undivided profits at beginning of year	496,670	264,347	620,619	487,108
Transfer from accumulated appropriations for losses	2,000,000	—	1,000,000	3,500,000
	4,838,173	2,496,670	3,439,347	5,620,619
Transfer to rest account	4,712,500	2,000,000	3,175,000	5,000,000
Undivided profits at end of year	\$ 125,673	\$ 496,670	\$ 264,347	\$ 620,619

other information

Balance of revenue after provision for income taxes per share	\$ 2.38	\$ 2.16	\$ 1.83	\$ 1.65
Dividends per share	\$ 1.00	92c	83c	76c
Number of employees	4,441	4,117	3,812	3,485
Number of branches	289	286	281	270

* Year of the amalgamation of The Provincial Bank of Canada and of The People's Bank

Note — For comparative reasons, some of the figures for previous years have been restated to conform to the current presentation

	1971	1970*	1969	1968	1967	1966
\$ 65,993,472	\$ 57,446,437	\$ 43,586,922	\$ 32,199,507	\$ 24,866,649	\$ 22,459,885	
15,024,168	15,453,641	10,760,018	9,501,670	7,567,697	6,320,578	
9,234,977	8,982,360	8,419,261	7,397,211	6,751,815	5,714,319	
\$ 90,252,617	\$ 81,882,438	\$ 62,766,201	\$ 49,098,388	\$ 39,186,161	\$ 34,494,782	
\$ 41,337,313	\$ 40,283,193	\$ 27,055,653	\$ 19,319,020	\$ 13,950,690	\$ 12,526,531	
19,940,570	17,796,149	14,713,762	12,994,667	11,363,853	10,567,803	
6,161,086	5,303,705	4,489,709	3,912,782	3,447,947	3,185,766	
7,385,598	5,780,992	5,344,044	4,735,159	4,068,201	3,435,932	
\$ 74,824,567	\$ 69,164,039	\$ 51,603,168	\$ 40,961,628	\$ 32,830,691	\$ 29,716,032	
15,428,050	12,718,399	11,163,033	8,136,760	6,355,470	4,778,750	
7,670,000	6,590,000	5,850,000	4,260,000	3,228,969	2,416,410	
7,758,050	6,128,399	5,313,033	3,876,760	3,126,501	2,362,340	
3,330,000	2,280,000	2,060,000	1,180,000	741,000	97,000	
4,428,050	3,848,399	3,253,033	2,696,760	2,385,501	2,265,340	
3,068,000	2,678,000	2,250,000	1,890,000	1,665,000	1,575,000	
1,360,050	1,170,399	1,003,033	806,760	720,501	690,340	
127,058	656,659	131,426	124,666	104,165	113,825	
4,000,000	—	—	—	—	—	
5,487,108	1,827,058	1,134,459	931,426	824,666	804,165	
5,000,000	1,700,000	1,000,000	800,000	700,000	700,000	
\$ 487,108	\$ 127,058	\$ 134,459	\$ 131,426	\$ 124,666	\$ 104,165	
\$ 1.49	\$ 1.18	\$ 1.18	86c	69c	52c	
59c	54c	50c	42c	37c	35c	
3,183	2,987	2,594	2,497	2,407	2,300	
263	253	219	211	205	204	

Branches

Québec

Montréal and suburbs

Montréal

2675 Beaubien Street East, *R. Bergeron*
4250 Beaubien Street East, *V. Chiossone*
5100 Beaubien Street East, *J. Lambert*
1100 Bélanger Street East, *G. Lacouture*
3255 Bélanger Street East, *R. Iorio*
200 Bernard Avenue West, *A. Scandale*
235 Chabanel Street West, *G. Archambault*
5635 Côte-Saint-Luc Road, *R. Beaudry*
3538 de Lorimier Avenue, *J.-P. Ducharme*
1390 Fleury Street East, *J.-G. Leclerc*
2201 Fleury Street East, *R. Girouard*
2175 Frontenac Street, *Y. Poirier*
C.N.R. Central Station, *R. Roux*
5990 Gouin Boulevard West, *G.-Y. Morin*
11244 Gouin Boulevard East, *N. Martin*
2000 Guy Street, *M. Leduc*
500 Henri-Bourassa Boulevard East, *G. Laferrière*
665 Jarry Street West, *A. Lazic*
2101 Jean-Talon Street East, *P. Denoncourt*
855 Jean-Talon Street West, *R. Rivard*
1909 Laurier Avenue East, *Y. Picard*
3244 Masson Street East, *M. Rose*
6150 Monk Boulevard, *F. Lavigne*
1396 Mont-Royal Avenue East, *E. Gagnon*
1 Notre-Dame Street West, *M. St-Pierre*
2441 Notre-Dame Street West, *D. Légaré*
4440 Notre-Dame Street West, *J.-Y. Boutin*
1346 Ontario Street East, *F. Fichaud*
2600 Ontario Street East (Place Frontenac), *J. Laveaux*
3401 Ontario Street East, *R. Pichette*
4685 Park Avenue, *G. Hakim*
9101 Pie-IX Boulevard, *V. Bordenca*
772 Rachel Street East, *J.-P. Gagnon*
801 Sainte-Catherine Street East, *B. Lemay*
1900 Sainte-Catherine Street East, *G. Bissonnette*
4137 Sainte-Catherine Street East, *R. Tissot*
680 Sainte-Catherine Street West, *G. Fortin*
4494 Saint-Denis Street, *R. Saia*
5850 Saint-Denis Street, *P. Paquette*
7130 Saint-Denis Street, *J. Malfara*
8305 Saint-Denis Street, *G. Desmarais*
6420 Saint-Hubert Street, *J. Roy*
8060 Saint-Hubert Street, *Y. Bergeron*
201 Saint-Jacques Street, *J.-P. Normandin*
3850 Saint-Laurent Boulevard, *E.-A. Doyon*
8631 Saint-Laurent Boulevard, *Y. Payette*
8060 Saint-Michel Boulevard, *R. Deschamps*
9048 Saint-Michel Boulevard, *C. Vozzella*
5355 Sherbrooke Street West, *M. Giroux*
5702 Sherbrooke Street East, *J. Duceppe*
8670 Sherbrooke Street East, *P. Armand*
3543 Van Horne Avenue, *R. Lagacé*
4765 Van Horne Avenue, *S. Landry*
3701 Villieray Street, *M. Sarena*

Anjou (Ville d')

7059 Jarry Street East, *R. Zammar*

Brossard

5645, Grande Allée, *U. Poirier*

Lachine

1515 Notre-Dame Street, *Y. Loisel*

LaSalle

584, 90^e Avenue, *G. Beaudoin*
1447 Shevchenko Boulevard, *A. Assaad*

Laval

Chomedey Ward
395 Cartier Street (Laval-des-Rapides),
F. Bourbonnais
967 Hôtel-de-Ville Boulevard
(Sainte-Dorothée), *L. Lauzon*
201 Labelle Boulevard, *G. Latour*
1500 Labelle Boulevard, *J.-M. Desjardins*

Duvernay Ward

1950 de la Concorde Boulevard
(Galeries Papineau), *P. Bounadère*
2765 de la Concorde Boulevard, *J. Lesage*
38 des Laurentides Boulevard, *R. L'Archevêque*
1 Place Laval, *D. Mailloux*

Sainte-Rose Ward

205 Sainte-Rose Boulevard, *R. Laferrière*

Longueuil

1667 Chambly Road, *A. Bergeron*
582 Sainte-Foy Boulevard, *G. Chapdelaine*
165 Saint-Jean Street, *D. Loisel*

Montréal-Nord

4983 Charlevoix Street, *G. Arsenault*
3570 Henri-Bourassa Boulevard East,
R. Ouellette
6015 Henri-Bourassa Boulevard East,
R. Marchand
10202 Saint-Michel Boulevard, *J.-C. Pelletier*

Outremont

1051 Laurier Avenue West, *P. Bleau*

Pointe-aux-Trembles

1205 Saint-Jean-Baptiste Boulevard, *J. Levasseur*

Roxboro

10415 Gouin Boulevard West, *G. Francis*

Saint-Laurent

185 Côte Vertu Road, *R. Gill*
795 Décarie Boulevard, *P. Desroches*
1110 Laurentien Boulevard, *S. Daigle*

Saint-Léonard

5281 Jean-Talon Street East, *G. Côté*
5990 Jean-Talon Street East, *F. Spina*
8450 Lacordaire Boulevard, *J.-P. Guindon*
5900 Métropolitain Boulevard, *P. Barnes*

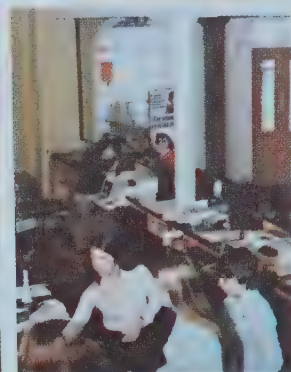
Verdun

5364 Bannantyne Avenue, *A. Ruelland*
4014 Wellington Street, *P.-M. Trottier*

Branches

The interior of our branch located at 2, rue de la Fabrique, in Quebec City, was renovated according to its original style which gives this building a special character that makes it one of the sites to visit in old Quebec. This building which is part of

the inheritance of the Séminaire de Québec was constructed in 1838 on land granted to the Fabrique Notre-Dame de Québec by Mr. D'Ailleboust on July 4, 1651 and acquired by the Séminaire on April 24, 1678.



Québec and suburbs

Québec

3265, 1^{re} Avenue, *R. Savard*
595, 3^e Avenue, *G. Range*
1138, 3^e Avenue, *M. Plante*
499, 4^e Avenue, *C. Blais*
105, boulevard Benoît XV, *A. Hamel*
405 est, boulevard Charest, *J. Doyon*
2, rue de la Fabrique, *R. Gauthier*
250 ouest, Grande-Allée, *J. Cantin*
664 est, Grande-Allée, *M. McClish*
230, rue Marie-de-L'Incarnation, *G. Matte*
2100, boulevard Père-Lelièvre, *C. Marchand*
1510, 18^e Rue, *R. Chauvin*
1950, 18^e Rue, *R. Dionne*
150 est, boulevard Saint-Cyrille, *F. White*
295, chemin Sainte-Foy, *J.-P. Legrand*
1385, chemin Sainte-Foy, *P.-A. Demers*
399, rue Saint-Jean, *G.-A. Rochette*
1161, rue Saint-Jean, *M. Pouliot*
8 ouest, rue Saint-Joseph, *J.-Y. Robert*
203 est, rue Saint-Joseph, *Mlle N. Fleury*
700 est, rue Saint-Joseph, *H. Massé*
54, rue Saint-Pierre, *V. Tardif*
218 ouest, rue Saint-Vallier, *Y. Boucher*

Ancienne Lorette

1366 est, rue Saint-Jacques, *G. Morneau*

Beauport

655, avenue Royale, *F. Tardif*

Charlesbourg

4785, 1^{re} Avenue, *L. Carroll*
6580, 1^{re} Avenue, *G. Labbé*

Giffard

3295, avenue Royale, *J.-M. Lapointe*

Lévis

111, rue Commerciale, *G. Labrecque*
113, rue Saint-Georges, *D. Boulet*
3 est, Trans-Canada (Rond-Point), *L. Careau*

Loretteville

190, rue Racine, *L. Hudon*

Sainte-Foy

1005, route de l'Église, *G. Bérubé*
1146, avenue Fournier, *M. Leblond*
853, avenue Myrand, *J.-E. Lavoie*
2360, chemin Sainte-Foy (Centre Innovation),
G. Potvin
2925, chemin Sainte-Foy, *M. Bernier*

Sillery

1354, avenue Maguire, *J. Roberge*
911 ouest, boulevard Saint-Cyrille, *A. Martineau*
1160, chemin Saint-Louis, *A. Bernier*

Vanier

260, avenue Rousseau, *Y. Boivin*

Other branches in Québec

Alma, *J. Lizotte*

Amqui, *J.-L. Tondreau*

Asbestos, *M. René*

Aylmer

79, rue Principale, *G. Labonté*
181, rue Principale, *N. Beauregard*

Baie Comeau, *G. Plante*

Baie Saint-Paul, *J. Lavoie*

Beauceville-Est, *G. Montmigny*

Boucherville

100, rue Montarville, *G. Voghell*

Breakeyville, *D. Laflamme*

Buckingham, *R. Plante*

Cap Chat, *C. Chartier*

Causapscal, *R. Fournier*

Charny, *R. Roussel*

Châteauguay-Centre

264, boulevard d'Anjou, *J.-M. Tourigny*

Chicoutimi

393 est, rue Racine, *A.-A. Lizotte*
1401, boulevard Talbot (Place du Royaume),
G. Lafrance

Contrecoeur, *A. Lauzier*

Côteau-Landing, *V. St-Pierre*

Danville, *G. Allard*

Dégelis, *J. Bélanger*

Disraéli, *R. Bouillon*

Drummondville

226, rue Hériot, *D. Bourbonnière*
461, rue Lindsay, *L. Pinard*
229, rue Saint-Marcel, *N. Leblond*

Gatineau, *D. Saint-Georges*

Gentilly, *G. Milot*

Granby, *G.-H. Brière*

Greenfield Park

340, rue Gladstone, *A. Durnin*

Hauterive, *R. Morneau*

Hull

200, rue Champlain, *Y. Martin*
161, rue Principale, *J. Gagnon*
745, boulevard Saint-Joseph, *J.-G. Beaulieu*

Joliette, *R. Lacasse*

Jonquière, *R. Bellefleur*

Labelle, *G. Lefebvre*

Lac Etchemin, *P. Renaud*

Lachute, *J. Bossé*

Lac Mégantic, *J. Bergevin*

La Malbaie, *G. Falardeau*

Laurentides, *R. Roy*

L'Épiphanie, *J.-C. Loranger*

Louiseville, *J. Désilets*

Maniwaki, *J.-P. Lapointe*

Masson, *J. Guillette*

Matane, *D. Ouellet*

Montmagny, *G. Hould*

Nicolet, *M. Laporte*

Nitro, Plaza K-Mart, J.-L. Allard
Notre-Dame-du-Lac, R. Roy
Oka, R. Villeneuve
Papineauville, J.-G. Lanctôt
Pierreville, P. Faucher
Pointe Gatineau, A. Charron

Repentigny
100, boulevard Brien, D. Massé
155, rue Notre-Dame, J. Denis

Rimouski, J.-P. Lebel
Rimouski-Est, G. Hudon
Rivière-Bleue, A. Michaud

Rivière-du-Loup
116, rue Lafontaine, J.-Y. Laforest
298, boulevard Thériault, R. Aubé

Rivière-du-Loup Station, J.-M. Huot
Roberval

878, boulevard Saint-Joseph, C. Girard
Sainte-Adèle, J. Cousineau
Saint-Agapitville, R. Dumas
Sainte-Agathe-des-Monts, D. Demers
Saint-André-Avellin, R. Durivage
Sainte-Anne-des-Plaines, R. Arpin
Saint-Anselme, G. Proulx
Saint-Barthélemy, A. Dufour
Saint-Basile-le-Grand, R. Turgeon
Saint-Clet, P. Vallières
Sainte-Croix-de-Lotbinière, C. Rhéaume
Saint-Donat, S. Falardeau
Saint-Eustache, J.-M. Létourneau
Saint-Flavien, L. Boulanger
Saint-Gabriel, P. Racine
Saint-Guillaume, R. Masse
Saint-Hyacinthe
1690, rue Girouard, L. Bouchard
Saint-Jean, Place Saint-Jean, F. Chalifoux
Saint-Jean-Port-Joli, J.-L. Drolet
Saint-Jérôme, R. Deschamps
Saint-Joseph-du-Lac, J. Thibodeau
Sainte-Julie-de-Verchères, J. Dalcourt
Saint-Pascal-de-Kamouraska, M. Paquet
Saint-Polycarpe, N. Vigneault
Saint-Raphaël, O. Carpentier
Saint-Romuald, C. Simoneau
Sainte-Thérèse

120, rue Turgeon, G. Bédard
Sayabec, Y. Lapointe
Sept-Îles
350, rue Smith, (Édifice Le Concorde),
R. Tremblay

Shawinigan, G. Robitaille

Sherbrooke
451 est, rue King, S. Lapointe
1405 ouest, rue King, A. Robichaud
11 nord, rue Wellington, H. Gagnon

Sorel, R. Desbois

Terrebonne
802, rue Saint-Pierre, L. Villeneuve
852, boulevard des Seigneurs, R. Cousineau

Thetford-Mines
110 nord, rue Notre-Dame, R. Labbé
Thurso, D. Coulombe
Tracy, F. Grégoire
Trois-Pistoles, M. Proulx

Trois-Rivières
1433, rue Notre-Dame, J.-L. Laroche
935, rue Saint-Maurice, J. Héroux

Valleyfield
50, rue Dufferin, A.-J. Crégheur
68, rue Sainte-Cécile, R. Cedras

Varenes, A. Palardy
Verchères, P. Dépatie
Victoriaville, J.-P. Rodier
Warwick, J. Rouette
Windsor, Y. Bourque
Yamachiche, C. Richer

Ontario

Alfred, S. Cormier
Belle River, R. Saint-Pierre
Cornwall
305 Montréal Road, M. Bourdon

Hamilton
447 Main Street East, H. Gagnier
750 Upper James Street, R. Gagné

Mississauga
833 Westlock Road, J. O. F. Arsenault
Orléans, G. Lalonde

Ottawa
2211 Arch Street, R. Pronovost
242 Rideau Street, J.-L. Fréchette
160, Slater Street, M. Desjardins

Pembroke, J. Dumont
Rockland, V. Thibodeau
Scarborough
3051 Pharmacy Avenue, C. Tognarelli
Tecumseh, J.-C. Couture
Tilbury, D. Borrie

Toronto
885 Bloor Street West, C. Chamberland
730 Danforth Avenue, T. Constantinidis
1728 Eglinton Avenue West, J.-P. Fenech
145 King Street West, G. Seeger
1295 St. Clair Avenue West, U. Forlini

Vanier, G. Caron

Windsor
999 Drouillard Road, P. Stebila
1301 Grand Marais Road, A. Massé
1599 Ottawa Street, E. Moser
500 Ouellette Avenue, K. B. Liddle
4855 Tecumseh Road East, P. Hébert
899 Wyandotte Street East, M. Thomas

New Brunswick

Bathurst, *A. Henrie*

Campbellton, *A. Hébert*

Caraquet, *R. Basque*

Clair, *M. René*

Edmundston, *P. Laforest*

Edmundston-Est, *C. Tremblay*

Fredericton

636 Queen Street, *E. Melanson*

Grande-Anse

357, rue Acadie, *R. Roy*

Lamèque, *J.-M. Dostie*

Moncton

417 Elmwood Drive, *V. Ouellet*

760 Main Street, *S. Poirier*

238 St. Georges Street, *D. Breau*

Norton, *E. J. Findlay*

Richibucto, *L.-P. Lévesque*

Saint-John, *E. J. Dance*

Saint-Joseph, *E. Bélanger*

Saint-Léonard, *J.-P. Lagacé*

Saint-Quentin, *A. Gagnon*

Shediac

168½ rue Principale, *G. Cormier*

Shippegan, *R. Gauvin*

Tracadie, *R. Gélinas*

Prince Edward Island

Charlottetown, *J. J. Arseneault*

Summerside, *B. Hemphill*

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Provibank, Montréal

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